

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

August 23, 1996

SUPPLEMENTAL ORDER

PUBLIC UTILITIES COMMISSION
Investigation Into Regulatory Alternatives
for the New England Telephone and
Telegraph Company, d/b/a NYNEX

Docket No. 94-123

NEW ENGLAND TELEPHONE AND
TELEGRAPH COMPANY, D/B/A NYNEX
1996 Annual Filing Under
Alternative Form of Regulation

Docket No. 96-440

WELCH, Chairman; NUGENT and HUNT, Commissioners

On May 15, 1995, the Commission issued an Order in Docket No. 94-123 that adopted an Alternative Form of Regulation (AFOR) for the New England Telephone and Telegraph Company, d/b/a NYNEX (NYNEX). That Order, *inter alia*, requires annual filings by NYNEX to include specific economic data. That Order stated that:

The data used to compute the [Price Regulation Index (PRI)], including the [Gross Domestic Product Price Index (GDP-PI)] and [Service Quality Index (SQI)], shall be current through June 30 of each year. For example, the GDP-PI issued for the second calendar quarter of 1996 will be used with billing determinants for the 12 months ending June 30, 1996, to compute the PRI that will govern rates proposed for effect during the period December 1, 1996 through November 30, 1997. Data used to calculate the SQI shall also be for 12-month periods ending on June 30.

Order at 105-106 (¶ V.C). The Order further requires NYNEX to file, by September 1, 1996 and by September 1 of each subsequent year while the AFOR is in effect,

The Gross Domestic Product Price Index (GDP-PI) for the second calendar quarter of the current year and for the same period of the previous year.

Order at 106 (¶ V.D(5)).

On August 6, 1996, NYNEX requested modification of the May 15, 1995 Order "to permit the use of first quarter GDP-PI data as the basis for the Company's annual AFOR filings." NYNEX also requested that the Commission "direct all interested parties to meet in June of each year to discuss and resolve non-material issues related to each year's filing."

NYNEX stated that final second quarter GDP-PI data is not available until September of each year, and suggested use of first quarter GDP-PI data as equally reflective of price changes from year to year. NYNEX stated that it had discussed this proposal with the Staff, and it stated that Staff had generally agreed with the NYNEX proposal. NYNEX's suggestion is reasonable and will be adopted.

Our May 15, 1995 Order establishes a regular schedule whereby NYNEX will make an annual AFOR filing on or before September 1 of each year. All parties are thus aware that such a filing is forthcoming annually. NYNEX, the Staff, and other interested parties can discuss any issues in the anticipated filing throughout the year, and are free to bring issues to the Commission for resolution if necessary at any time. There may be years when no issues arise that require discussion by the parties or resolution by the Commission. Therefore, we will not adopt NYNEX's other request to direct parties to meet in June of each year to discuss "non-material issues" as unnecessary.

Accordingly, it is

ORDERED

1. That the May 15, 1995 Order is amended to reflect that Gross Domestic Product Price Index data for the first calendar quarter of each year be used in calculation of the annual Price Regulation Index, rather than second quarter data as stated in that Order; and

2. That the May 15, 1995 Order is amended to reflect that billing determinants for the 12 months ending March 31 of each year be used in the calculation of the annual Price Regulation Index, rather than periods ending June 30 as stated in that Order.

An attested copy of this order shall be sent by regular mail to Edward B. Dinan, Vice President - Maine, NYNEX, 1 Davis Farm Rd., Portland, ME 04103.

Dated at Augusta, Maine, this 23rd day of August, 1996.

BY ORDER OF THE COMMISSION

Christopher P. Simpson
Administrative Director

COMMISSIONERS VOTING FOR: Welch
 Nugent
 Hunt

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320 (1)-(4) and the Maine Rules of Civil Procedure, Rule 73 et seq.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320 (5).

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